

(b) Government had examined earlier a proposal for reduction in excise duty on pharmaceutical products from 16% to 8%, but it was decided not to make any changes for the present.

### **Making educational loan lending process hassle free**

1392. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that to make educational loan lending process hassle free, the Ministry has endorsed Public Sector Banks demand for setting up of a guarantee fund on the lines of a similar scheme existing for the small enterprises sector;

(b) whether it is also a fact that this fund will enhance the comfort level of the banks to sanction loans for higher and technical educational courses without insisting on the collateral or a third party guarantee; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Public Sector Banks (PSB) have not made a demand for setting up of a guarantee fund to make educational loan lending process hassle free. As per extant guidelines of IBA, loans up to Rs. 4 lakh for higher and technical educational courses, are to be sanctioned by PSBs without insisting on the collateral or a third party guarantee.

### **Taxes on corporates**

1393. SHRIMATI S.G. INDIRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are considering to make reduction in taxes on corporates in view of higher revenue collections;

(b) if so, the details thereof; and

(c) what was the total revenue collected during the years 2004-05 and 2005-06?